



ANNUAL DAIRY REVIEW

APRIL 2010

WELCOME to the first issue of the *Annual Dairy Review*! Let me begin by thanking all participants from the dairy industry for their continued support and cooperation – especially the producers who provide data for the quarterly *Milk Production* and monthly *Manufactured Dairy Products* surveys. Without their commitment and participation, this report would not be available.

This publication is a compilation of related reports issued by USDA's National Agricultural Statistics Service (NASS) in an effort to provide a complete source of statistics relevant to the dairy industry.

Though many of the statistics in this publication can be accessed through our website (www.nass.usda.gov/Publications), this Oklahoma Field Office summary will be issued annually following the release of the USDA-NASS *Annual Milk Production, Disposition, and Income Summary*, and the *Annual Dairy Products* summary.

Please feel free to contact our office with any comments or questions you may have. I hope you find this information useful!

Wilbert Hundl, Jr., Director
Oklahoma Field Office

OKLAHOMA AND U.S. INVENTORY AND PRODUCTION

The January - March quarterly milk production in Oklahoma was 249 million pounds, down 6 percent from the same quarter last year, but up 4 percent from the previous quarter. **Oklahoma's milk cow inventory** for the quarter, at 57,000 head, was down 8 percent from the same quarter last year but unchanged from the previous quarter. Production per cow was 4,370 pounds for the quarter, up 2 percent from the same quarter last year and up 4 percent from the previous quarter.

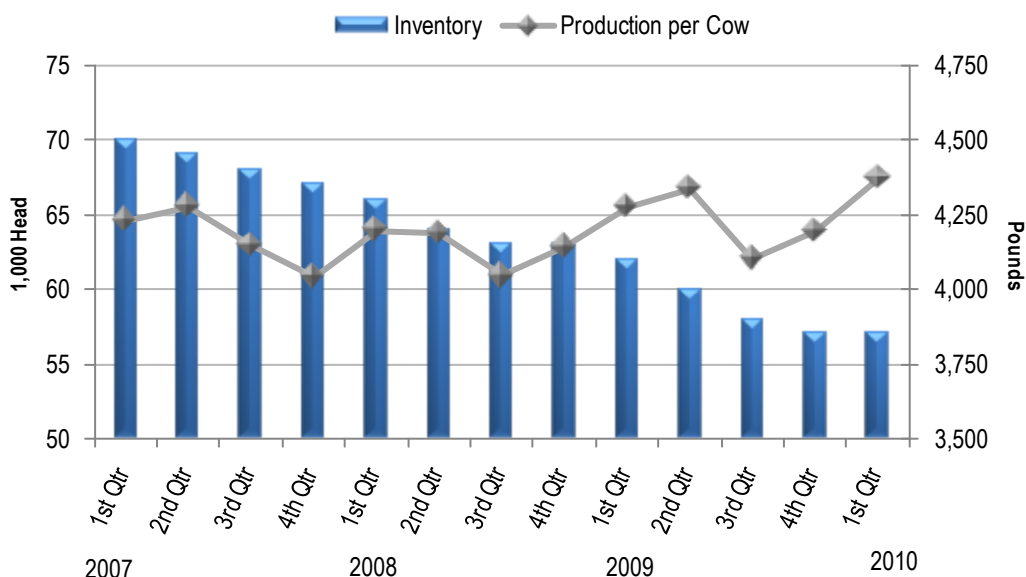
Quarterly Milk Production, Oklahoma and United States, 2008-2010¹

Quarter	Oklahoma				United States			
	2008	2009	2010	Change From 2009 to 2010	2008	2009	2010	Change From 2009 to 2010
	Million Pounds		Percent		Million Pounds		Percent	
Jan-Mar	277	265	249	-6.0	47,609	47,374	47,331	-0.1
Apr-Jun	268	260			48,768	48,888		
Jul-Sep	255	238			46,870	46,793		
Oct-Dec	261	239			46,735	46,265		

¹ Excludes milk sucked by calves.

Source: USDA-NASS Monthly *Milk Production* Reports

Milk Cow Inventory and Production per cow, by Quarter, Oklahoma 2007-2010



Source: USDA-NASS Monthly *Milk Production* Reports

PRODUCTION, DISPOSITION, AND INCOME

Total milk production in Oklahoma decreased 5.6 percent in 2009 to 1 billion pounds, compared to a decrease of 0.3 percent for the United States to 189 billion pounds. Oklahoma's rate per cow, at 16,983 pounds, was 405 pounds above 2008, an increase of 2.4 percent, while the National rate per cow, at 20,576 pounds, was 181 pounds above 2008, an increase of 0.8 percent.

Cash receipts from marketings of milk during 2009 for Oklahoma totaled \$150.8 million, 28.9 percent lower than 2008 and \$24.3 billion for the United States, 30.1 percent lower. Producer returns in Oklahoma for 2009 averaged \$15.20 per hundredweight, 24.8 percent lower than 2008 while producer returns for the nation averaged \$12.93 per hundredweight, 29.9 percent below 2008.

Milk Production, Disposition, and Income, Oklahoma and United States, 2007-2009¹

Item	Unit	Oklahoma			United States		
		2007	2008 ²	2009	2007	2008 ²	2009
Number of Milk Cows ³	1,000 head	69	64	59	9,189	9,315	9,201
Production of Milk and Milkfat⁴							
Milk Per Cow	Pounds	16,580	16,578	16,983	20,204	20,395	20,576
Milkfat Per Cow	Pounds	610	597	616	744	751	755
Milkfat	Percent	3.68	3.60	3.63	3.68	3.68	3.67
Total Milk	Million Pounds	1,144	1,061	1,002	185,654	189,982	189,320
Total Milkfat	Million Pounds	42.1	38.2	36.4	6,831.8	6,998.1	6,949.3
Disposition:							
Milk Used Where Produced							
Fed to Calves ⁴	Million Pounds	10	10	9	952	942	898
Used for Milk, Cream and Butter	Million Pounds	1	1	1	137	124	114
Milk Marketed by Producers ⁵	Million Pounds	1,133	1,050	992	184,565	188,917	188,307
Income:							
Cash Receipts from Marketings	1,000 Dollars	236,797	212,100	150,784	35,453,399	34,849,113	24,342,440
Average Returns Per Cwt ⁶	Dollars	20.90	20.20	15.20	19.21	18.45	12.93
Value of Milk Used for Milk, Cream	1,000 Dollars	209	202	152	27,073	23,743	15,513
Gross Producer Income ⁸	1,000 Dollars	237,006	212,302	150,936	35,480,472	34,872,856	24,357,953
Value of All Milk Produced ^{7,9}	1,000 Dollars	239,096	214,322	152,304	35,665,894	35,050,757	24,477,390

¹ May not add due to rounding.

² Revised.

³ Average number on farms during year, excluding heifers not yet fresh.

⁴ Excludes milk sucked by calves.

⁵ Milk sold to plants and dealers as whole milk and equivalent amounts of milk for cream. Includes milk produced by dealer's own herds and milk sold directly to consumers. Also includes milk produced by institutional herds.

⁶ Cash receipts divided by milk or milkfat in combined marketings.

⁷ Value at average returns per 100 pounds of milk in combined marketings of milk and cream.

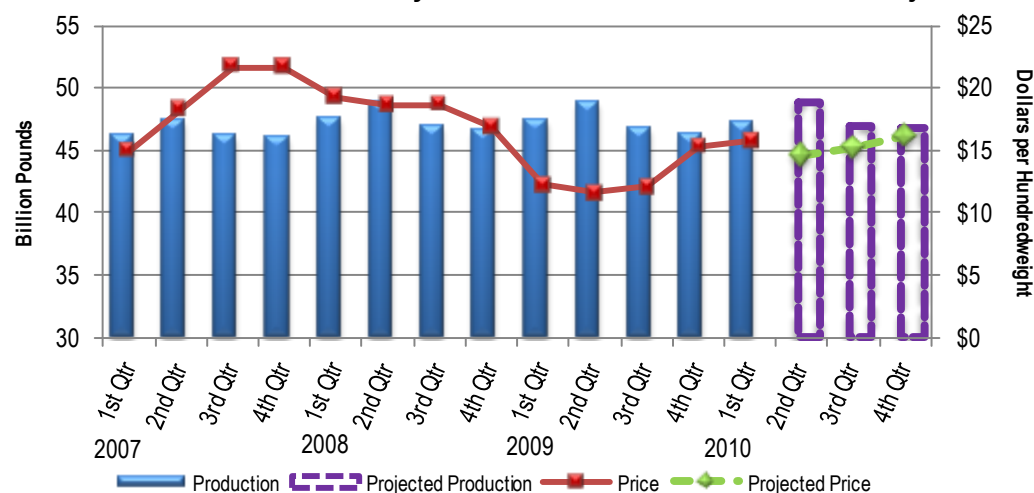
⁸ Cash receipts from marketings of milk and cream plus value of milk used for home consumption.

⁹ Includes value of milk fed to calves.

Source: USDA-NASS *Milk Production, Disposition, and Income Annual Summary*

PRODUCTION AND PRICE OUTLOOK

Milk Production and Price, by Quarter, United States, 2007-2009, Projected



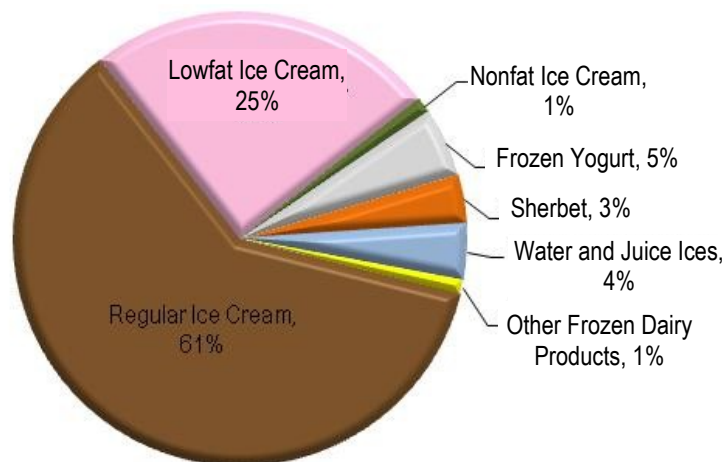
Milk production for 2010 is predicted to be slightly above 2009 production. While milk cow inventory is still decreasing (at a slower rate), production per cow continues to improve. The steady supply will keep price increases in 2010 modest. **Milk prices** have already improved from the low of 2009 and another small increase is projected by year's end.

Source: USDA-WAOB monthly *World Agriculture Supply and Demand Estimates Report*

DAIRY PRODUCTS

Overall, the production of frozen dairy products has decreased slightly from 2008 to 2009. Regular ice cream is down 1.1% to 920 million gallons from 2008 and lowfat ice cream is down 0.6% to 381 million gallons while nonfat ice cream increased 8.1% to 17 million gallons.

Frozen Dairy Products, United States, 2009



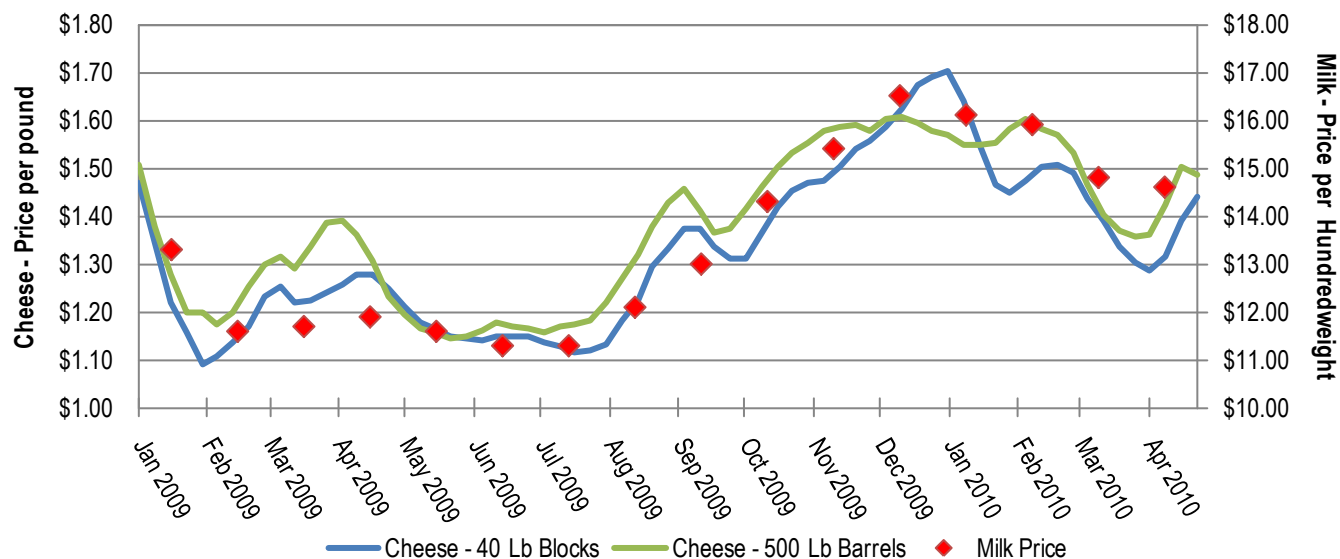
Frozen Dairy Products, Production, United States, 2008-2009

Product	2008	2009	Change 2008 to 2009
	1,000 Gallons	1,000 Gallons	Percent
Regular Ice Cream	930,708	920,266	-1.12%
Lowfat Ice Cream	383,828	381,455	-0.62%
Nonfat Ice Cream	15,437	16,682	8.07%
Frozen Yogurt	78,580	74,417	-5.30%
Sherbet	57,718	53,085	-8.03%
Water and Juice Ices	59,180	59,744	0.95%
Other	14,285	14,721	3.05%

Source: USDA-NASS Dairy Products Annual Summary

Weekly cheddar cheese prices for January 2009 to April 2010 ranged from a low of \$1.09 per lb. for the week ending January 31, 2009 to a high of \$1.70 the week ending January 2, 2010. **Monthly milk prices** followed a similar pattern with a low price of \$11.30 per hundredweight for June and July of 2009 and a high of \$16.50 per cwt for December 2009.

Weekly Cheese Prices & Monthly Milk Prices, United States, 2009-2010



Source: USDA-NASS weekly Dairy Products Prices Report

To OKLAHOMA DAIRY PRODUCERS: "This report contains results collected from various dairy surveys. Your operation, large or small, represents Oklahoma agriculture . We appreciate your assistance in providing timely and accurate data for your industry. Thank you for your support."

~Wilbert C Hundl, Jr., Director
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INFORMATION IS POWER

Some of the resources for farmers and ranchers available on our Oklahoma website:

- Oklahoma Annual Statistics Bulletin
- Crop Progress and Conditions
- Livestock Reports
- Crop Reports

Find us on the web at: www.nass.usda.gov/ok

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